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NEWS RELEASE

For Immediate Release

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THDA Offers All Time Low Interest Rate

NASHVILLE – If you have never owned a home-now is the time! Beginning July 7, the Tennessee Housing Development Agency (THDA) lowered its interest rate to an all-time low! The Great Rate interest rate is 4.65% and the Great Start program, which offers 4% downpayment assistance, is now 5.65%.

"This is a great time for families looking for their first home to take advantage of our new rate," said THDA's Executive Director, Janice Myrick. "This is not an adjustable rate. This is a 30-year fixed mortgage for first-time borrowers."

THDA mortgage programs are generally for first-time homebuyers, or those who have not owned their principle residence within the last three years, or persons who wish to purchase a home in one of Tennessee's 58 counties that are targeted because of chronic economic distress.

"Local lenders and real estate professionals should be the first contact for most of our buyers," said Jerry Sisson, THDA's Board Vice-Chair. "We encourage families to meet with these professionals to begin looking for a home, or even to make a plan to buy a home in the future. Our Board of Directors has made a commitment that THDA will have a steady flow of mortgage funds available and there has never been a better time to take advantage of THDA's mortgage programs."

In addition to our regular programs, the Agency recently implemented a Disaster Relief and Economic Recovery Mortgage program to aid residents of communities impacted by the spring tornados and floods. There are three tiers to this program, depending on household income and whether there was direct damage from the storm. Families may qualify for a 30-year fixed rate mortgage with an interest rate of 0%, 3%, or 4.65%, including down payment assistance.

Since THDA's inception in 1973, it has helped over 80,900 families, funding mortgages of over \$3 billion. Last year in 2002, THDA provided over \$200 million in loans to help over 2,500 Tennessee families purchase their first home. THDA provides these mortgage funds and successfully administers several other programs without state funds.

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**Tennessee Housing Development Agency
404 James Robertson Parkway, Suite 1114
Nashville, TN 37243-0900**

THDA's mission is to be the lead state agency promoting sound and affordable housing for people who need help.

THDA also administers several federally funded programs, such as Section 8 Programs, low-income housing tax credits, multifamily bond authority and federally funded grants.

For more information regarding THDA's programs contact our Nashville office at 1-800-228-8432 (for a person who is hearing impaired 615-532-2894). Information about our programs can also be found on our website at www.tennessee.gov/thda.

Editor Notes: Background on THDA

- In 1973, the Tennessee Housing Development Agency (THDA) was created by the Tennessee General Assembly. The purpose: address the housing needs of low and moderate income Tennesseans.
- The Agency has a 19-member board of directors appointed from various sectors of the housing industry, with the state government being represented by the Governor's office, the Department of Finance & Administration and the Constitutional Officers: Secretary of State, State Treasurer and Comptroller of the Treasury.
- Since its creation, THDA has achieved a impressive track record:
 - 80,000 people have become first-time homebuyers through the single-family mortgage program
 - More than \$4.8 billion in bonds have been issued to finance mortgages
 - Over 5,400 Tennesseans are being helped with Section 8 Rental Assistance
 - 27,900 project-based Section 8 units are being administered by the agency
 - 5,811 units of affordable housing have been built or rehabilitated with the HOME Grant Program
 - 24,000+ affordable multi-family units have been constructed
- In addition, THDA has created special programs that have been nationally recognized, such as the Bicentennial Neighborhoods Initiative in the late 1990's.
- The Agency has been a financial success as well, doing a public mission without the use of state tax dollars. Through prudent financial management and investments, THDA has been and continues to be self-supporting.
- Pursuant to the State of Tennessee's policy of non-discrimination, the Tennessee Housing Development Agency does not discriminate on the basis of race, sex, religion, color, national or ethnic origin, age, disability, or military service in its policies, or in the admission or access to, or treatment or employment in, its programs, services or activities.
- Equal Employment Opportunity/Affirmative Action inquiries or complaints should be directed to the Tennessee Housing Development Agency EEO/AA, ADA Coordinator Donald L. Harris, Jr., 404 James Robertson Parkway, Suite 1114, Nashville, TN 37243-0900, 615/741-1106; 615/532-2894, TDD; 1-800-228-THDA, toll-free answering machine.